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TAGS: PFOR, PROG, BBAK, EINV, NL, SZ

SUBJECT: LOCKHEAD: SWISS PRESS INTERVIEW WITH SENATE COMMITTEE
INVESTIGATOR

1. "DIA WELTWOCH", A GERMAN LANGUAGE PAPER PUBLISHED WEEKLY
IN ZURICH, CARRIED ON FEB 25 A PURPORTED TELEPHONE INTERVIEW
WITH JACK BLUM, INVESTIGATOR FOR THE "CHURCH" SENATE
SUBCOMMITTEE.

2. EMBASSY TRANSLATION OF INTERVIEW FOLLOWS:

"ALMOST ALL BRIBES VIA SWITZERLAND"

TELEPHONE INTERVIEW WITH JACK BLUM, CHIEF INVESTIGATOR
OF THE SENATE SUB-COMMITTEE ON MULTINATIONAL SOCIETIES
IN WASHINGTON:

WELTWOCH: MR. BLUM, IN JANUARY WHEN YOU WERE IN SWITZERLAND
IN ORDER TO INVESTIGATE ON THE SPOT ON BEHALF OF THE SENATE
COMMITTEE ON MULTINATIONALS, YOU MET WITH SOME DIFFICULTIES.
WHAT WHERE THEY?

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JACK BLUM: WE REPEATEDLY ASKED THE SWISS GOVERNMENT

FOR ITS ASSISTANCE IN OBTAINING PERMISSION TO INTERVIEW CERTAIN PERSONS INVOLVED IN THE AFFAIR, ESPECIALLY MR. FRED MEUSER. AND ALTHOUGH WE COMPLIED WITH ALL THE REGULATIONS, I WAS INFORMED VERY CLEARLY, THAT THE SWISS PENAL CODE WOULD BE APPLIED VERY STRICTLY WITH REGARD TO INVESTIGATIONS BY FOREIGN GOVERNMENT OFFICIALS AND THAT I WOULD NOT BE ABLE TO SEE MR. MEUSER WITHOUT VIOLATING THE PENAL CODE--THAT I WOULD RISK BEING ARRESTED.

WELTWOCH: MR. MEUSER IS A PRIVATE PERSON RESIDING IN ST. MORITZ.

BLUM: NOT JUST A PRIVATE PERSON -- HE IS ALSO AN AMERICAN CITIZEN. ONE OF MY INQUIRES WAS WHETHER I WOULD BE ALLOWED TO INTERVIEW MR. MEUSER IN THE AMERICAN CONSULATE GENERAL IN ZURICH OR IN THE AMERICAN EMBASSY IN BERN. THE POLITICAL DEPARTMENT REFUSED BOTH. I WAS TOLD THE ONLY POSSIBILITY WAS TO GET MR. MEUSER TO LEAVE SWITZERLAND IN ORDER TO MEET WITH ME.

WELTWOCH: WHO TOLD YOU THAT?

BLUM: FIRST IN THE COURSE OF TALKS WITH THE SWISS EMBASSY IN WASHINGTON, THEN CONFIRMED THROUGH APPROPRIATE CHANNELS WHEN I ARRIVED IN ZURICH.

WELTWOCH: HAVE YOU TRIED TO CONTACT MR. MEUSER PRIVATELY?

BLUM: NO I DID NOT DO THAT.

WELTWOCH: WHEN YOU INTERVIEWED THE LOCKHEAD REPRESENTATIVE AND FRIEND OF PRINCE BERNHARD, HANS TEENG GERRITSEN, IN THE NETHERLANDS, DID THE DUTCH AUTHORITIES CREATE DIFFICULTIES FOR YOU?

BLUM: AT LEAST THE DUTCH DID NOT TELL ME I MIGHT BE ARRESTED IF I QUESTIONED TEENG GERRITSEN, AND I DID QUESTION HIM.

WELTWOCH: WILL YOU AGAIN TRY TO TAKE UP INVESTIGATIONS IN SWITZERLAND?

BLUM: WE SHALL NOT DO ANYTHING FURTHER IN SWITZERLAND. THE QUESTION NOW IS WHETHER OTHER COUNTRIES INTERESTED IN THE AFFAIR, AS WELL AS THE USA, WILL BE ABLE TO CONVINCE SWITZERLAND TO CHANGE ITS ATTITUDE. THE QUESTION IS VERY SIMPLE: CAN SWITZERLAND CONTINUE TO AFFORD TO BE THE CENTER FOR SUCH FINANCIAL TRANSACTIONS? IT SEEMS AS IF ALMOST ALL PAYMENTS OF THIS KIND WHICH WE HAVE MET WITH IN OUR INVESTIGATIONS, HAVE GONE VIA SWITZERLAND. LIMITED OFFICIAL USE

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WELTWOCH: YOU MEAN TO SAY THAT SWITZERLAND HAS BEEN THE CENTER FOR THE PAYMENT OF SUCH BRIBES?

BLUM: YES. EVEN PAYMENT TO JAPAN FIRST WENT TO SWITZERLAND AND THEN TO JAPAN. SWITZERLAND WAS THE CENTER FOR NORTHROP MONEY, THE CENTRAL PLACE OF TRANSACTIONS IN THE EXXON AFFAIR IN ITALY; SWITZERLAND HAS COME UP PRACTICALLY IN EACH AFFAIR CONCERNED WITH BRIBES BY MULTINATIONALS, EVEN IN THE FAR EAST. THE QUESTION IS TO WHAT EXTENT THIS SITUATION HAS

BECOME UNBEARABLE. I HAVE THE HIGHEST RESPECT FOR SWITZERLAND IN BANK MATTERS. THERE ARE MANY SERVICES AND MANY VERY GOOD SERVICES WHICH SWISS BANKERS CAN OFFER. AND I AM CONVINCED THAT SWISS BANKERS CAN OFFER THESE SERVICES WITHOUT SERVING AS THE CENTER FOR SUCH TRANSACTIONS. THE QUESTION IS: CAN WE TOLERATE THIS VEHICLE FOR CORRUPTION IN THE MIDST OF OUR DEMOCRATIC SOCIETY? WHEN WILL THE SWISS GOVERNMENT - OR THE SWISS PEOPLE, BECAUSE I DO KNOW HOW THE DEMOCRATIC PROCESS FUNCTIONS IN SWITZERLAND--WHEN WILL THEY REALIZE THAT THEY DO NOT PROFIT FROM IT?

WELTWOCH: WILL THE CHURCH COMMITTEE TRY TO REACH INTERNATIONAL AGREEMENT IN THE FIGHT AGAINST INTERNATIONAL BRIBERY?

BLUM: WE ARE TRYING TO WORK TOWARD AN INTERNATIONAL CONVENTION, PROBABLY THROUGH THE OECD AND THAT WILL BE A WAY FOR THE DEVELOPED COUNTRIES TO COME TO AN AGREEMENT IN THESE MATTERS. IT IS DIFFICULT, BUT NOT IMPOSSIBLE TO FIND A WAY ACCEPTABLE TO ALL TO CONTROL (THIS CORRUPTION). AN INTERNATIONAL AGREEMENT IS NECESSARY AND THIS AGREEMENT, IN MY OPINION, WILL HAVE TO INCLUDE SWITZERLAND.

WELTWOCH: DO YOU SEE ANY DANGER FOR THE AMERICAN AIRCRAFT INDUSTRY IF YOU LOWER THE COMMISSION PAYMENTS FOR THEM TO 5 PERCENT AND OTHER AIRCRAFT INDUSTRIES, ESPECIALLY EUROPEAN ONES, PAY HIGHER PERCENTAGES?

BLUM: SWITZERLAND HAS JUST BOUGHT THE F-5 "TIGER". WHAT WOULD A SWISS CITIZEN, AWARE OF HIS TAXES, THINK IF HE FOUND OUT THAT THE AMERICAN AIRCRAFT WAS CHEAPER, BUT THAT THE FRENCH HAD PAID A HIGHER COMMISSION TO A MIDDLEMAN? THEY WOULD BE FURIOUS* THE HIGHER COMMISSION IS AN IMPEDIMENT TO FREE COMPETITION, NOT ONLY IN SWITZERLAND, BUT ALSO IN OTHER COUNTRIES.

WELTWOCH: DOES THE SENATE COMMITTEE SEE A DANGER THAT THE EUROPEANS, IN WAKE OF THE REVOLTING BRIBERY SCANDALS, START TO CONCENTRATE ON THEIR OWN AIRCRAFT INDUSTRY, TO LIMITED OFFICIAL USE

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THE DETRIMENT OF THE AMERICAN FIRMS? THE HEAD OF THE DEFENSE COMMITTEE IN THE DUTCH PARLIAMENT TOLD US LAST WEEK: THE MOMENT HAS COME FOR THE EUROPEANS TO FINALLY BUILD UP THEIR OWN AIRCRAFT INDUSTRY.

BLUM: IF I WERE A DUTCH OFFICIAL, THAT WOULD BE THE LAST THING I WOULD DO RIGHT NOW, TO GET UP PUBLICLY AND SAY: "I WOULD RATHER DEAL WITH THE FRENCH, BECAUSE THEY ARE DISCREET". SUCH AN OFFICIAL WOULD BE IMMEDIATELY SUSPECT. DAVIS

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